



May 1, 2020

Good morning to all of our DL 141 Brothers and Sisters, but this memo is specific to our United members who fall under the PSE and Fleet agreements at United Airlines.

I'm sure the anxiety and frustration of rumors circulating around the workplace and social media are taking its toll on you all, and for that I'm sorry. I wish I could make them all go away right now but the truth of the matter is only United Airlines can do that today and unfortunately only a return of the flying public can do that past September 30, 2020.

As communicated last week, United Airlines has advised us they are looking to reduce all employees who work under the Passenger Service (including Reservations) and Fleet agreements to part-time to save money. Money for a Company that has over 10 billion on hand today, that will have between \$8 and \$10 billion at the end of June and between \$4 and \$6 billion at the end of September.

Regardless, no Company can survive long-term with passenger loads the way they are at United today.

We have suggested many cost savings ideas to the Company. Some of those are;

- a. Allow 12 month COLAS that continue to pay employees 25% of their salary.
- b. Offer the medical bridge to employees between the ages of 55-65. (It's important to note that we have over 10,000 members under these two contracts who are 55 or older.)
- c. Allow employees to defer 25-50% of their salary until the first quarter of 2021.

We've suggested to incentivize these voluntary programs by offering United club passes and Positive Space travel which would cost the Company nothing.

Additionally, we have put forward several smaller, but critical proposals that can produce the level of savings that United needs if we can attract enough participation from our members.

More than 25% of employees have taken 3 to 6 month COLAs already. The Company does not want to count these sacrifices alongside the other cost-cutting efforts that have been made to date.

As of this communication the Company has declined these suggestions without so much as an explanation. They have told us they would be making a decision on many of these matters as early as today.

If the Company were to furlough all full-time employees to part-time they would still be required to follow key contractual rules. For example, they will need to notify everyone no later than Monday, May 4th to meet their May 24th target date to adhere to the contractually-required 20 day language.

They have also told us they plan to go down to 22 hours. We expressed that a 45% pay cut, or any pay cut for that matter, is unacceptable under the CARES act and even though we don't and won't agree to any pay cuts, they should at least give everyone 30 hours a week.

Times are tough. It's easy to be an employee-friendly Company when you're making billions on top of billions of dollars (which again, they still have). However, it's times like this, when everyone is scared for their livelihood, their safety, and our industry as a whole that United could show true CORE4 leadership.

As our Country salutes their essential workers is this really how United wants to treat theirs?

Fraternally and in Solidarity,

Michael Klemm  
President and Directing General Chairman  
IAMAW, District Lodge 141